

MINUTES
MICHIGAN STATE TRANSPORTATION COMMISSION MEETING
July 31, 2008
Mt. Clemens, Michigan

Meeting noticed in accordance with Open Meetings Act, Public Act 267 of 1976.

Present: Ted B. Wahby, Chair
 Maureen Miller Brosnan, Commissioner
 Jerrold M. Jung, Commissioner
 James S. Scalici, Commissioner

Also Present: Kirk T. Steudle, Director
 Frank E. Kelley, Commission Advisor
 Marneta Young, Commission Executive Assistant
 Jerry Jones, Commission Auditor, Office of Commission Audit
 David Brickey, 1st Assistant, Attorney General's Office, Transpo. Division
 Myron Frierson, Bureau Director, Finance and Administration
 John Friend, Bureau Director, Highway Delivery
 John Polasek, Bureau Director, Highway Development
 Bill Shreck, Director, Office of Communications
 Larry Tibbits, Chief Operations Officer
 Leon Hank, Chief Administrative Officer
 Tim Hoeffner, Administrator, Intermodal Policy
 Mike Kapp, Administrator, Economic Development and Enhancement
 Brian Ness, North Region Engineer
 Drew Buckner, Manager, Macomb Transportation Service Center
 Greg Johnson, Metro Region Engineer

Excused: Linda Miller Atkinson, Vice Chair

A list of those people who attended the meeting is attached to the official minutes.

Chair Wahby called the meeting to order at 9:00 a.m. in the Board of Commissioners Board Room in Mt. Clemens, Michigan.

Chair Wahby welcomed the Commissioners, staff and those from the audience to Macomb County.

I. COMMISSION BUSINESS

Commission Minutes

Chair Wahby entertained a motion for approval of the minutes from the State Transportation Commission meeting of June 26, 2008.

Moved by Commissioner Brosnan, with support from Commissioner Scalici, to approve the minutes of the Commission meeting of June 26, 2008. Motion carried.

II. **DIRECTOR'S REPORT – DIRECTOR KIRK STEUDLE**

Director Steudle thanked Chair Wahby and his staff for hosting the Commission meeting in the Macomb County area.

Director Steudle's report focused on:

MDOT Program Reduction Strategies

On June 26, 2008, information was presented on the department's Highway and Maintenance Program financial situation. This information indicated the downward trends in travel and revenue and the rising costs of materials, and the tough choices that MDOT is facing.

The Highway Trust Fund (federal funding) is facing insolvency in 2009. Congress is working to address the issue however MDOT must be prepared to make adjustments to the 2009 Capital Program. If the short-fall is not solved this year, by October 1st Michigan will be asked to give back (or not spend) \$244 million (1/3 of our construction program). This puts emphasis on programs related to preservation and safety, includes reconstruction, rehabilitation, and capital preventive maintenance for road and bridge, traffic and safety, Safe Routes to School, and Federal Railroad Crossing Programs, and projects in other programs would be delayed and/or eliminated. As far as the state funding, MDOT will not be able to match all federal-aid dollars beginning in 2010. The anticipated shortfall of state revenue and unmatchable federal-aid is over \$3.2 billion over the 2010-2013 timeframe.

The department has developed four alternative strategies that could be used to guide future program adjustment decisions. Each strategy has varying impacts on the program, however, with each, focus would continue on the high volume system (freeways and corridors of high significance), geographic balance of projects throughout the state, and balancing work among state's construction industries. He asked that the Commissioners forward any additional strategies/options to the department if there were something that was not already considered.

Option #1: Puts emphasis on programs related to preservation and safety including reconstruction, rehabilitation, and capital preventive maintenance for road and bridge, traffic and safety, Safe Routes to School, and Federal Railroad Crossing Programs. Projects in other programs would be delayed and/or eliminated.

Option #2: A proportional reduction which reduces all programs regardless of department goals or system designation. Reductions would be based on the share of the 2009 Trunkline Program template target (larger programs get larger cuts). For example, the Road Rehabilitation and Reconstruction Program would be reduced 35%, proportional to its contribution to the total program.

Option #3: Corridors of significance focus—focuses funding toward the higher level of the transportation system. Funding would most likely continue on national and statewide corridors as identified in the MI Transportation Plan; projects in regional and local

corridors would be delayed and/or eliminated.

Option #4: MI Transportation Plan Priorities which takes into consideration the MI Transportation Plan objectives as ranked by the Commission at the Advancing Performance Measurement Workshop held on Feb 28th. The STC identified preservation, safety, bottlenecks, and operations as near-term priorities. Implementation would provide some level of funding for pavement and bridge preservation, safety, capacity improvement, ITS, and CMAQ programs.

Director Steudle asked for questions.

Chair Wahby suggested that we entertain having a study session on this topic.

Commissioner Jung asked, regarding the matching funds, which counties might already be losing out on federal funding.

Director Steudle stated that he could not recall the names right then, however he could get the information to the Commission.

Commissioner Jung asked what the matching ratio is, generally speaking.

Director Steudle answered that it is generally 80/20, sometimes 90/10 depending on the program being used.

Commissioner Jung asked, for clarification, if it's the 80 and/or 90 coming from the federal.

Director Steudle answered yes; the 20 and/or 10 would be the match and that is the piece they don't have.

Commissioner Brosnan stated that she assumes that as we embark on this discussion that the department would be able to present the Commission with more than four or five sentences worth of information on what the ramifications of each option are.

Director Steudle responded yes.

Commissioner Brosnan added that, from her standpoint, she is going to want to know what we are giving up on the other side when embarking on any one of these strategies. Also, how much of our discussion relative to an immediate strategy is over-lapping what the TF2 is doing.

Director Steudle stated that he hesitates bringing this whole subject forward because this is largely a political discussion at the moment that is outside of the Commissions' hands. He does not want to burden the Commission with scaling something back when three days later it goes back up again. At the same time he wants to be prepared.

Commissioner Brosnan stated that she feels this Commission is amply prepared, once they have gone over this, to give the department direction and a focus; she just doesn't

want to see it be an exercise in futility where the department is set on a course only to be modified or redirected by the TF2.

Director Steudle agreed.

Chair Wahby reiterated that a study session needed to be scheduled so that we can look at this in depth.

Director Steudle stated that two days ago he thought the highway trust fund shortfall would be fixed.

Chair Wahby asked if this would affect the Five Year Program.

Director Steudle answered yes.

Chair Wahby stressed the importance of a study session because the Five Year Program was approved and now this situation requires a modification of the whole thing.

Director Steudle stated that the Five Year Program could be modified in multiple ways.

No other questions were forthcoming.

Transportation Funding Task Force Update

There exists a real danger that state and local transportation agencies will not be able to match all available federal funding beginning in 2010 (in fact there are several local agencies that today, report that they can't make use of all available federal funding because of match issues). A similar problem exists for both transit and aviation.

The NSTPRSC recently recommended that, based on the needs that exist today, spending by all levels of government should be at least \$225 billion per year (which compares to what is currently being spent on capital projects today - \$86 billion).

Three scenarios were used try to determine the cost and impacts to the system: "*Do Nothing*" scenario—the estimated level of resources available for investment is \$2.6 billion per year. This is considerably less than what is currently being invested. Slowing and even declining state and local revenue is going to place a substantial amount of federal funding at risk of not being matched; "*Good*" scenario—the estimated cost of maintaining the current level of service and making it slightly more consistent and reliable is \$7.1 billion per year; "*Better*" scenario—the estimated cost of moving us forward, building a future rather than maintaining a past, is \$14.3 billion per year. The bottom line is that there would be a loss of 12,255 jobs just from shrinking the MDOT highway program alone—not considering aviation, transit or intermodal freight.

The Task Force has a 'catalog' of revenue options to consider. They will consider options in context of needs identified in CAC reports and will begin to narrow the field of options with the primary considerations being economic activity and personal mobility. They will continue to receive public comments at all meetings. October 31st is the deadline for recommendations.

Director Steudle asked for questions; none were forthcoming.

Design/Build/Finance Pilot Projects

At the January Commission meeting we introduced the DBF – Design/Build/Finance concept and told you that MDOT would be conducting a pilot. DB and DBF projects have been used in vertical (building) construction for some time, and is quickly gaining acceptance nationally in the Transportation arena. It is an innovative contracting method being used by other states (Florida and Missouri) to accelerate project delivery and use of private sector financing. We have selected two DBF projects: I-69 (Lapeer/St. Clair County Line to Miller Rd.) in Lapeer and St. Clair Counties and the M-21/I-75 Interchange in Genesee County.

MDOT will take the lessons learned from these two pilot projects to evaluate when DB or DBF projects should be used. We hope to identify criteria that could be used to select projects where a design build delivery method would benefit Michigan. We will look to the experience with design-build delivery methods, gaining an understanding how non-traditional financing methods can be utilized in Michigan, and gain experience in public private partnerships.

I-69 Project Overview

A freeway reconstruction project originally scheduled for 2012. The estimated DBF construction cost is approximately \$44,000,000, has an alternate pavement bidding component, and was advertised on June 13, 2008 (bids and technical proposal are due on August 8, 2008). The contractor will be selected on a modified low bid basis (life-cycle cost analysis has to be run—taking contractor inputs for a concrete pavement section and an asphalt pavement section, looking at what the overall annual uniform cost is, then picking the lowest bid).

M-21 Project Overview

A bridge replacement and building demolition project originally scheduled for 2011. The estimated construction cost is approximately \$7 million, was advertised on June 6, 2008 (bid and technical proposals are due August 28, 2008—technical proposal contains verification of financial viability, verification that all required design and construction pre-qualification categories are met, and the Best Value criteria). A two step selection process was used: 1) contractors were short-listed based on qualifications of the DBF Team; and 2) the final contractor will be selected using a Best Value procedure (the BV procedure will consider the DB Teams Bid (cost), User Mobility Plan, Proposed Progress Schedule, QA/QC process, Communications Plan, and Aesthetics plan).

We have heard that some contractors are having difficulty securing the necessary financing for these projects. This is one of the reasons we are piloting these DBF projects to determine whether relations can be forged between contractors and bankers.

Of concern is the availability of department funding for projects (MDOT has appropriated spending authority from Fiscal Year 2008 for this project), potential deductions or delays of processing final payment (in the unlikely event that there are punch list items pending in November, 2011, MDOT will not withhold the entire final

payment), and guarantee of payment to lender (MDOT is entering into a contract with a contractor, not with a financial institution. The terms of the financial agreement will be between the contractor and the financier. MDOT will, if requested, deposit funds into an escrow account).

Expected benefits of design/build/finance are earlier use of improved transportation facilities in 2009, potential reduction in construction costs, first steps in public private partnership (a new method of financing, experience in alternative contracting methods), and experience in alternate pavement components.

Director Steudle asked for questions.

Commissioner Brosnan asked if, when he mentioned alternate pavement, he was talking about different ways of applying pavement, different grading on pavement—what we would specifically get as a product.

Director Steudle stated that what we have in the specifications are two pavement sections (this goes back to the lifecycle cost analysis where we're required to do two different pavements), one made out of concrete, one made out of asphalt. We give the contractors both designs and they can choose to bid on either one of them. What we will end up with is a process that we can evaluate on asphalt pavement versus a concrete pavement on those particular design elements. We still lay out what the design criteria are so that we know that we are going to end up with a product that we would have designed in the first place.

Commissioner Brosnan further asked if the only alternate was concrete versus asphalt.

Director Steudle answered yes.

No other questions were forthcoming.

Check Presentation

The Transportation Economic Development Fund (TEDF) is a state program administered by MDOT to support highway, road and street projects that support economic growth and job creation. The Category A or Targeted Industries Program is aimed at making transportation improvements that encourage private investment that create or retain jobs in Michigan.

Director Steudle and Chair Wahby presented a ceremonial check for \$1,496,000.00 to Mayor Richard J. Nott of Sterling Heights. MDOT partnered with the City of Sterling Heights and the Metro Region to provide matching funds for a Category A TEDF grant. With this grant, we will be improving a major commercial corridor, M-53 or Van Dyke. This improvement will benefit local residents as well as the employees, partners and customers of the new \$58 million engineering facility being constructed by BAE Systems in Sterling Heights.

Chair Wahby stated that this is a well deserved endeavor they will be embarking on.

Greg Johnson commented that the Metro Region is looking forward to this project which will be completed this year.

Mayor Notte, on behalf of the residents of Sterling Heights, thanked the department and expressed his pleasure that this project will be completed this year.

III. **OVERSIGHT**

Commission Agreements (Exhibit A) – Myron Frierson

Mr. Frierson presented information on 37 agreements. Pending any questions, Mr. Frierson asked for approval of Exhibit A.

Commissioner Brosnan, regarding Item #8, asked (Contract 2008-5294 between MDOT and the City of Eaton Rapids where there was a local match of \$89,250 required) why the description mentions construction in terms of what Eaton Rapids would do to meet their match when it shows that they are not actually contributing anything in the delineated amounts.

Mr. Frierson responded that he could find out more details regarding specifics of the project (whether it was correct in including construction) but what Eaton Rapids is providing is soft match (in-kind services). You also see construction engineering listed which is labor.

Commissioner Brosnan stated that she understands those to be soft match dollars, but construction itself is normally not.

Mr. Frierson stated that further clarification would be obtained.

No other questions were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Jung to approve Exhibit A. Motion carried on a unanimous voice vote.

Bid Letting Pre-Approvals (Exhibit A-1) – Myron Frierson

Mr. Frierson announced that Item #16; Proposal 0808045; Project ST 41051-102912 (2.93 miles of hot mix asphalt...city of Grand Rapids, Kent County) was withdrawn due to changing the letting date, the scope of the project and the pre-qualification level of the project. A Supplemental Exhibit A-1 has been created for this project which will be presented later in the meeting.

Also noted was Item #21; Proposal 0808601; Project IM 77024-74766 (6.01 miles of freeway reconstruction with an alternate pavement bid...on I-69...St. Clair and Lapeer Counties) which is a Design/Build/Finance project.

Mr. Frierson gave a brief recap of the July 11 and 18, 2008 letting: 43 State projects with a total engineer's estimates of \$82.2 million were let. The low bids received on these projects totaled \$79.7 million. There are currently 9 State projects to report that are TBA. The State low bids for fiscal year 2008 through July total \$663.3 million compared to \$908.8 million for the same period in fiscal year 2007. In terms of delivering the program, we are delivering ahead of pace of what was planned for this fiscal year.

For the letting of August 1, 2008, 38 State projects with engineer estimates totaling \$104.8 million are scheduled to be let. A special letting is scheduled for August 8, advertising 1 State Design/Build/Finance project with an engineer's estimate of \$43.9 million. Also, some of the Economic Stimulus projects are scheduled to be let in August.

Pending any questions, Mr. Frierson asked for approval of Exhibit A-1 with the modifications; none were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Jung to approve the August bid letting with the modifications. Motion carried on a unanimous voice vote.

Bid Letting Pre-Approvals (Exhibit A-1 Supplemental) – Myron Frierson

Mr. Frierson presented information for the re-written Proposal 0808045; Project ST 41051-102912 (5.44 miles of hot mix asphalt cold milling, resurfacing and signal loop replacement...in the cities of Grand Rapids and Hudsonville, Kent and Ottawa Counties). This project was the withdrawn item in Exhibit A-1.

Pending any questions, Mr. Frierson asked for approval of Exhibit A-1 Supplemental.

Chair Wahby entertained a motion. Motion was made by Commissioner Scalici and supported by Commissioner Brosnan to approve Exhibit A-1 Supplemental. Motion carried on a unanimous voice vote.

Letting Exceptions Agenda (Exhibit A-2) – John Polasek

Mr. Polasek provided summary information on how the program and how the higher prices for materials and construction items are increasing. Over the past two years, HMA costs per ton have been escalating at about 6% per year and in the last three months it's been over 17% and could affect the program. If you apply the cost increase to the total tons HMA we have in a year, it's about a \$20 million hit to the program.

Mr. Polasek further provided information on 8 projects (6 State projects, 2 Local projects) that were over the engineers' estimate and is accompanied by a justification memo. Pending any questions, Mr. Polasek asked for approval of Exhibit A-2.

Commissioner Brosnan commented that two years ago as she sat frustrated because we couldn't predict the fluctuation oil prices statement that would appear in the documents, it is amazing the difference a couple years can make because now she sees the fluctuating prices as the rationale for why you can't predict some of these bids. It is totally understandable at this point in time.

Chair Wahby asked, as we talk about cost comparisons with asphalt and fuel, how this relates to concrete.

Mr. Polasek answered that he had some of those projections and concrete hasn't been increasing that much. However, steel is increasing.

Chair Wahby clarified that he means concrete versus asphalt because asphalt is subject to the variations of the fuel industry.

Mr. Polasek responded that concrete has not had as big a fluctuation as asphalt has.

Chair Wahby then asked why we weren't using more concrete if that is the case.

Director Steudle interjected that that is one of the things we are trying to learn with the alternate pavement bidding. Depending on what the current state of the asphalt prices are, asphalt may be cheaper or concrete may be cheaper.

Chair Wahby asked if the lifecycle cost analysis is done on some of the projects.

Director Steudle answered yes.

Chair Wahby asked if that should determine it.

Director Steudle responded that the trouble is when that's done is in the design phase, because you have a lot of work to do after you determine which pavement section you're going to do, in many cases that can be two years before the project is actually put out for bids.

Chair Wahby added that even with the increases that we're getting on the asphalt end, and if you apply the lifecycle cost analysis to it, you're still going with asphalt which tells him that asphalt is still a better way to go.

Director Steudle agreed. A lot of it depends on the inputs that go into that particular analysis—the traffic volume, where it's at, the soil conditions and what's below it drive a lot of the engineering factors as to what the pavement design looks like.

Mr. Polasek added that it is also the type of fix they are using. Sometimes there is not a concrete fix to do a certain project.

No other comments or questions were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Scalici to approve Exhibit A-2. Motion carried on a unanimous voice vote.

Contract Adjustments (Exhibit B) – John Friend

Mr. Friend introduced Brian Ness, North Region Engineer, Drew Buckner, Manager, Macomb TSC, and Greg Johnson, Metro Region Engineer.

Mr. Friend called attention to a “walk-on” project, Local Extra Item #2008-131 (0.74 kilometers of railroad grade separation...in the City of Plymouth, Wayne County) for \$1.4 million in project acceleration costs. MDOT staff met with Wayne County staff earlier this morning. The substantial portion of this request is for costs incurred to-date as a result of some delays they have had relative to contaminated soil, utility concerns and project delay. For the remaining \$400,000 they have a pretty good plan in place to accelerate this project to get a significant portion of this work done in November as opposed to next June. We have asked them, and they have agreed, to follow our standard process for doing some user delay calculations. MDOT is asking **for conditional approval, subject to completion of internal review.**

Mr. Friend provided information for 6 MDOT and 7 additional Local projects. The performance matrix continues to look good with about two months left in the fiscal year. There is confidence of continuing to operate within the 5% spectrum that the Commission has set.

Pending any questions, Mr. Friend asked for approval of Exhibit B including the conditional approval for 1 project subject to completion of internal review.

Chair Wahby asked if the department would have Commission Audit and the administration review the questions asked in the earlier meeting with the County. Additionally, he requested that if there be any changes at all in the dollar amounts that are listed, he wants it brought back without approval—it has to come back for approval. This is a very significant amount of money attached to this project.

Mr. Friend responded that the plan is to continue with MDOTs internal review in cooperation with the Commission Audit staff as well as the Attorney General. There is an opportunity to make the August 5th Ad Board if they can get the cost justification in and meet the satisfaction of staff. If not, they will be shooting for the August 19th Ad Board. This project will come back next month in Overrun status with other additional costs.

Chair Wahby asked if the majority of this is funded by FHWA.

Mr. Friend answered yes.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Jung to approve Exhibit B including the conditional approval for 1 project subject to completion of internal review. Motion carried on a unanimous voice vote.

IV. **PRESENTATIONS**

Update on Macomb County Road Projects – Robert Hoepfner, P.E., County Highway Engineer, Macomb County Road Commission

Mr. Hoepfner welcomed the Commission to Macomb County and expressed his appreciation of the cooperation between MDOT and the Macomb County Road Commission (MCRC). For example: the reconstruction of 5.5 miles of Cass Avenue in Romeo Planck (about \$17.7 million); projects included under the Governor's Local Jobs Today Program; and, a project being partially funded by a loan from the state infrastructure bank which will cover Clinton Townships' portion of the cost.

Two areas of concern are: 1) a fundamental problem with funding roads in the state of Michigan (not enough money now nor in the future to adequately fund the roadway system); 2) the state maintenance contract between MDOT and the MCRC (MCRC still have budget dollars in their contract to maintain, at a severely reduced level of service, maintenance services on state trunklines).

Chair Wahby asked for questions; none were forthcoming.

Maintenance Aspect of MDOT Pertaining to Clinton Township – Richard Ives, The Five Nine Business Association

Mr. Ives introduced various members of the Association. The Five Nine is a group of businesses and governmental leaders who came together to address what could be done to promote economic development in Macomb County. There are presently about 1,000 businesses in the area between Mound Road and I-94, tens of thousands of employees, and \$1 billion in assessed property and real property along the corridor.

Three goals have been set by the Association: 1) promote the corridor through advertising and marketing; 2) enhance the landscaping along the road; 3) lighting and way signing as well as traffic. One of the accomplishments so far has been that MDOT has agreed to undertake an operations study—what can we do to improve traffic flow along M-59 (will start in October and take about one year), and what can we do as far as additional laneage (will have to wait due to financial constraints that the State is under).

No questions were forthcoming.

Maintenance Aspect of MDOT Pertaining to Macomb County – Ralph Maccarone, Supervisor, Charter Township of Shelby

Mr. Maccarone thanked MDOT for their cooperation in working with them. He further asked the Commission to support their position that MDOT reset its priorities to acknowledge the huge sums of money being invested by the private sector along M-59, and its importance to the growth of the economic vitality of this region and this State. There have already been lost economic advantages due to the appearance of the roadsides.

Respectfully, Mr. Maccarone requested, in addition to immediately renewing the full 2008 appropriation for maintenance, that it be adopted as a model for MDOT to offer to

similarly situated municipalities statewide. The need for this funding is immediate, urgent and certainly well deserved.

No questions were forthcoming.

Mr. Jim Carabelli, Director of Landscape Sales, United Lawnscape, Inc.

United Lawnscape is an MDOT qualified company that has installed about \$1.5 million worth of landscaping for MDOT direct. Mr. Carabelli provided a diagram of plants that were put into the program by the Five Nine Association to enhance the medians to attract businesses to the area and to keep them. The Schoenheer/Hall Road intersection is the flagship of the start of the landscaping. These plants are drought tolerant and can survive in the medians with the salt.

Director Steudle asked about the schedule to move down to other intersections.

Mr. Carabelli responded that the Association is getting their funding in place and Partridge Creek, who have shown the most interest, will probably be the next intersection (down near Romeo Planck and/or Garfield). It is estimated to cost roughly \$50,000 for the four corners. The Association is also exploring the possibility of applying for Transportation Enhancement Funds to help with the projects—some major retailers have also agreed to help.

Director Steudle commented that this is a very good fit with the Transportation Enhancement Program. The one piece that comes along with that is the long-term maintenance which is what we struggle with in that we can use some of our federal enhancement dollars for projects like this, but it is the long-term, on-going care and feeding of it that we really need the local support.

Signage Off the Expressway – Eric Foster, Harrison Township, Boat Town Group

Mr. Foster expressed concern on how marinas can be marketed. An effort is under way to form an organization to get all the businesses, municipalities and other organizations (such as the Chamber) together on all of Lake St. Clair to jointly advertise Lake St. Clair so that they have more impact. The marinas currently have a 20-50% vacancy.

Mr. Foster is asking MDOT to start thinking about signage. Right now as you drive down I-94 you don't see the lake and there is not a single sign saying that there is even a lake there.

Justin Robinson, Senior Economic Development Specialist, Macomb County Planning and Economic Development, shared information on how the economy is affected by the boating industry. There are about 980,000 registered watercraft in Michigan. Revenues that can be directed attributed to the Great Lakes total more than \$16 billion annually, with \$2.4 billion of direct economic impact of registered voters. It is estimated that more than 250,000 jobs are dependent on the boating industry in larger Great Lakes economy. In Macomb County alone we have 65,000 register boat owners. Within Michigan's 10th congressional district (extends to Macomb's southern boundary along the water to Port Huron) approximately \$458 million in trip spending is spent by boaters. There are a total of 3,916 jobs directly employed by the boating industry. Labor income total \$148 million

with value added exceeding \$250 million. Lake St. Clair is widely recognized as the sports fishing destination in the Midwest (national tournaments are held here).

Commissioner Scalici asked if the signage for the Lake Michigan Tour (Circle Michigan Tour) affected the I-94 corridor.

Director Steudle stated that he suspects it comes down to Port Huron, loops into Canada then heads up from there. We don't have a Circle Lake St. Clair Tour, which is really what he's referring to.

Commissioner Scalici commented that that signage has been successful.

Director Steudle agreed and added that there is a Circle Michigan and Circle Huron Tour. Further, we can't advertise for specific destinations—this specific marina at this specific exit. We will be looking at more of a holistic approach to how to help promote that asset along with them so that we can draw peoples' attention to it.

Chair Wahby asked what their next step would be.

Director Steudle responded that the next step would be to have a meeting with John Friends' staff to figure out what's possible.

No other questions were forthcoming.

V. **PUBLIC COMMENTS**

Chair Wahby asked if any member of the audience wanted to address the Commission; none were forthcoming.

Chair Wahby asked if any Commissioner wanted to address the Commission; none were forthcoming.

ADJOURNMENT

There being no further business to come before the Commission, Chair Wahby declared the meeting adjourned at 11:00a.m.

The next full meeting of the Michigan State Transportation Commission will be held on August 21, 2008, at the Farmington Community Main Library Auditorium, 32737 W. Twelve Mile Road, 2nd Floor, in Farmington Hills, Michigan, commencing at the hour of 9:00 a.m.